

Executive Highlights



Overview

The New Jersey Charter School Program Act of 1995 (the Act) authorized the Commissioner of Education to establish a charter school program. The first cohort consisting of 13 charter schools opened its doors to begin operations for the 1997-1998 school year. By the 2000-2001 school year, the fourth year of charter school operations, there were 54 charter schools operating in the State of New Jersey serving over 10,000 students.

KPMG performed a comprehensive, independent evaluation, encompassing surveys of parents of charter school students and non-charter school students throughout the State, site visits to 30 of the 54 state charter schools, and analysis of considerable data. Summary results for the nine areas reviewed are provided below. It is important to note that these summary comments must be considered in context of the full report, *"Evaluation of the New Jersey Charter Program, September 2001,"* which may be obtained through the New Jersey Department of Education.

Summary of Results

Student Demographics

- On average, African-Americans comprise almost 68% of charter school enrollment, compared to 50% for their districts of residence and 43% of the school-age community surrounding charter schools. Conversely, charter schools serve lower percentages of white, Hispanic, and Asian students than the districts of residence and compared to their school-age community. Native American students comprise an insignificant share of enrollments in charter schools, districts of residence, and the school-age community.
- Like their respective districts of residence and school-age communities, charter schools enroll fairly equal numbers of male and female students.
- Student enrollment figures by grade level in the charter schools were similar to those in the districts of residence. However, the charter schools served significantly higher percentages of students in grades K-2, 6, and 9 and lower percentages of students in grades PK, 3-5, 8, and 11 than their districts of residence.
- The percentage of students receiving free and reduced-price lunch in charter schools was 63%, compared to 70% in the districts of residence.
- The percentage of charter school students participating in Title I programs was greater than the districts of residence at 60% and 43% respectively, a 17 percentage point difference.
- Charter schools enrolled fewer students with educational disabilities than the districts of residence (7.7% compared to 15.6%). Students with limited English proficiency (LEP) comprise a relatively small proportion of enrollments at both charter and district of residence schools, though for the latter it is marginally larger, that is, .3% and 1.4% respectively.

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Student Achievement

- School-level achievement data reports percentages of students who are partially proficient, proficient, and advanced proficient. Progress is defined as an increase in the percentage of students at or above the proficient level. The analysis utilized data from the 1998-1999 and 1999-2000 school years.
- Over the two-year period, charter schools in aggregate achieved a 12 percentage point increase in the proportion of students who were at or above the proficient level in math on the Elementary School Proficiency Assessment (ESPA). This evidence indicates that charter schools are making discernible progress in their achievement of New Jersey Core Curriculum Content Standards (NJCCCS) in math. Based on results of the ESPA, charter school progress in language arts and science was not as substantial, as less than a percentage point change in proficiency was reported.
- Charter schools in aggregate achieved an eight percentage point increase in the proportion of students who are at or above the proficient level in language arts on the Grade Eight Proficiency Assessment (GEPA). This evidence indicates that charter schools are making discernible progress in their achievement of the NJCCCS in language arts. Based on results of the GEPA, charter school progress in math was not as substantial, as less than a percentage point change in proficiency was reported.
- The substantial gains charter schools displayed on the math portion of the ESPA and the language arts section of the GEPA exceeded the aggregate progress made by the related districts of residence. In all other content areas of the ESPA and GEPA, the changes in the percentage of proficient students were minimal for district schools.

Parental Choice

- The continued demand for charter schools is evident in the existence of waiting lists for charter schools throughout the State, totaling 5,178 students for the 1999-2000 school year¹, and in the continuing application for prospective charter schools each year. For the 1999-2000 school year, 76% of the charter schools in New Jersey reported having a waiting list.² In 2001, the Office of Charter Schools received an additional 18 charter school applications.
- Each of the 93 charter school parents participating in site visits conducted throughout the State, offered reasons why they selected a charter school as opposed to a traditional public school or other educational alternative. Reasons included, but were not limited to: safety, class size, parent involvement, sense of community, challenging curriculum, or an extended school day/year. Charter school parents surveyed ranked smaller class size, curriculum, and the school's mission as the top three reasons for selecting a charter school.

¹ New Jersey State Department of Education, Office of Charter Schools.

² New Jersey State Department of Education, Office of Charter School website, (<http://www.state.nj.us/njded/chartsch>).

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- Through survey responses, feedback provided during interviews, and statements made during the public hearings, charter school parents have clearly indicated they value the option of sending their child to a charter school. Responses and comments demonstrated the feeling that the existence of charter schools allows parents to choose what they believe to be the best opportunity for a successful education for their child.

Degree of Involvement of Private Entities

- Seven operational charter schools throughout the State are involved in a relationship with an educational management organization (EMO). These seven are served by five distinct EMOs. Six schools were affiliated with for-profit EMOs, four of which participated in site visits. None of the four reported EMO representation on its Board of Trustees. The remaining school, involved with a non-profit EMO, also participated in a site visit and reported the agency was represented on its Board of Trustees, which is permitted for non-profits.
- Primary financial services provided at the charter schools' inception included the provision of start-up funding, grant writing support, general accounting, and payroll services. The four schools participating in site visits reported receiving various levels of financial support from their EMOs.
- Two of four schools indicated their level of operational and financial support provided by their respective EMOs has progressively decreased from year to year. The other two schools have only been in operation for one school year.
- All four schools responded that their EMO provides curriculum support and/or educational materials.
- EMO-affiliated schools appear to spend more on administrative-type expenses compared to non-affiliated charter schools.

Compliance with Applicable Laws and Regulations

- A comprehensive, on-site program review is conducted by a team of NJDOE and county office of education staff during the second year of a charter school's operation to assess overall progress in meeting goals, to identify success, and to identify areas for improvement.
- All cohort 1 schools have participated in the charter renewal process including a program review and site evaluation performed by the Office of Charter Schools and respective county superintendents. Based on the renewal process, ten of the twelve schools were renewed. The remaining two schools were placed on probation; one had its charter subsequently renewed whereas the other had its charter revoked.
- All 17 cohort 2 schools participating in program reviews during the 1999-2000 school year received formal program review letters citing instances of non-compliance. These schools all submitted Corrective Action Plans, of which 14 were accepted by the Department of Education. The remaining plans have since been revised and are currently under review.

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- Cohort 3 schools have participated in program reviews during the 2000-2001 school year. Based on those reviews, one school had its charter revoked. The remaining 14 received program review letters citing instances of non-compliance. One of those voluntarily surrendered its charter. The other 13 submitted Corrective Action Plans that are currently under review.

Student and Faculty Attrition/Mobility Levels

- Charter schools have an average instructional class size of 19 students compared to 21 in the districts of residence. Charter schools had an average of 50 minutes more instructional time and the average length of the school day was 40 minutes longer. In addition, charter schools have longer academic school years ranging from 180 to 215 days.
- The average faculty attendance rate is seven percentage points higher in charter schools than in districts of residence.
- The average student mobility rate was 8.6 percentage points lower in charter schools than in districts of residence, while the average student attendance rate was similar to the districts of residence (91% compared to 93%).

Charter School Progress in Meeting Goals

- Overall, it appears that charter schools are making reasonable progress in meeting their academic and non-academic goals. However, there was no common methodology utilized by charter schools to develop or measure such progress.
- During the site visit interviews, charter school lead persons and teachers clearly articulated the students' progress in meeting the academic goals of the individual charter schools. However, it was noted that many of the participants had difficulty articulating the non-academic goals of the school. In many instances, it was noted that goals established were not easily measurable.
- As a result of having completed the charter renewal process, cohort 1 schools have developed better methods to measure and report on the progress of their goals as compared to cohort 4 schools.

Stakeholder Satisfaction

- Each of the 93 parents interviewed during the site visits indicated that parental involvement in the charter school was significant and was welcomed by the charter school. In addition, 90% of charter school parents surveyed indicated that they agreed or strongly agreed that, "The charter school that my child attends encourages parent involvement and welcomes comments from parents in decision making."
- Each of the 30 schools visited distributed some level of routine communication. Out of the charter school parents surveyed, 86% agreed that "the charter school their child attends effectively communicates with parents about their child's education."
- Given the chance, 93% of parents responding to the survey would recommend their charter school to other parents and students.

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- Of the 73 teachers interviewed during site visits, 71 indicated they were satisfied with their charter school experience. Most teachers, however, commented on the lack of adequate facilities.
- The 35 lead persons participating in site visits appeared to be satisfied. Many indicated, however, that some changes needed to be made to the legislation to ensure the continued success of charter schools. Two major points that consistently arose throughout our interviews included: lack of facilities funding and excessive administrative reporting requirements.
- Of the students participating in site visits, all 86 reflected positive, consistent experiences.

Impact on Districts of Residence (DOR) and Educational Services Statewide

- Of the district officials interviewed, 4 of 16 reported some level of collaboration with their respective charter school. Six district officials reported having business relations (e.g., contracting food services or renting school building space) with the charter school(s) located in their district.
- Although charter schools must adhere to a random admission process, two districts reported the opening of the charter schools in their districts resulted in a decrease in its white student population. No evidence, however, was provided to support this comment.
- Eleven of the sixteen district representatives reported the most prevalent impact was on their budget. Ten district administrators offered an approximate percentage or dollar amount that was allocated to the charter school(s) from their district budgets. The remaining six had limited knowledge of the actual financial effect. During the 1999-2000 school year, the DORs in our sample had allocated an average of just over 2% of their district budget to charter schools.
- Only one district reported making changes to instructional programs as a result of the financial impact of the charter school program. No evidence, however, was provided to substantiate this comment. At the time of this evaluation, no petition had been made to the Commissioner for a lower rate to be paid to the charter school as a result of this impact.³
- Many districts indicated their earlier concerns with the budget timeline as district budgets were due before they were aware of the amount of funding to be allocated to the charter school(s). As a result, many districts relinquished a large amount of financial resources after their budgets were in place. The Department of Education has since amended the due date for district budgets and has required charter schools to report enrollment projections by the earlier deadline. Districts reported this has resolved the issue.
- Districts reported that while a loss in staff and hiring new staff can be a burden, the greater challenge results from a provision in the law that allows a traditional public school employee to request a leave of absence of up to three years to work in a charter school with the option to return to his/her former position in the school district.

³ According to N.J.A.C. 6A:11-7.3f “the district of residence or non-residence district(s) of a charter school may petition the Commissioner for a lower rate for the charter school’s local levy budget per pupil.”

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- Six districts reported the existence of charter schools has created additional administrative responsibilities related to the DOR's transportation system. No evidence, however, was provided to support this comment.
- Nine of fifteen districts indicated they believe the presence of charter schools has stimulated competition among schools. Two of these nine have admitted to making program improvements in order to compete with charter schools.